
Visioning the Future and Assessing Current Reality

Background
Module 2

Background for Module 2: Visioning the Future and Assessing Current Reality

Compelling Reasons for Visioning and Assessing the Organization

It is especially important that government organizations reexamine their vision, mission, and values in light of government reinvention. The basic mission of most government organizations has evolved over time through the accretion of laws, regulations, mandates from Congressional oversight committees, and responses to special interest groups.

Historically, government agencies have started with a statutory mission. Over the years, the missions expanded to accommodate short-term problems or special political pressures. One excellent example of that is the Agency for International Development with 33 statutory mission statements. Another example is the Department of the Interior. Look at the many overlapping activities both within Interior and with the Department of Agriculture.

Consider the various missions of your organization. Have they been subjected to a fundamental reexamination recently?

With conflicting timeframes, the planning perspectives of civil servants and political appointees has been an issue. The Civil Service system itself, as created and structured, should encourage long-range thinking and the creation of multi-year missions and sustaining values. But laid upon it is the direction from usually very short-term oriented political appointee leaders. Laying the groundwork for long-term change has, in the past, been difficult and usually lost out in the bargaining process in favor of the shorter-term cause or interest.

What is needed are partnerships between political and career leaders in agencies that seek, through open and honest dialogue, the best vision, mission, values, and operating practices for the agency and the American public.

Another issue is the skeptical American customer based on his or her previous experience with the government. A set of vision, mission, and values that will feature active attention to satisfying and even delighting the customer may well be greeted with some skepticism by an American public that is used to perceiving a service-monopoly agency where indifference or outright hostility were previously the outcomes.

The concept of focusing on the customer is new not only to government but to its customers. The cooperation needed and new way of working may take a while.

What is needed is a customer-driven vision that adds value to the government's products and services and turns skeptical customers into "raving fans".

Now government is working toward the future rather than rationalizing the past. If an activity does not fit in a basic mission, it is expected that it will be eliminated or at least changed to where it does fit. While it is true a governmental activity may initially be driven by statutory requirements, change is possible. Strong leadership can change statutory requirements to bring a sense of strategic visioning and functional alignment of government.

This is exactly what the Clinton Administration is trying to accomplish and the performance agreements between the Cabinet/agency secretaries and the President will help reinforce that at each agency. Additionally, the President's Management Council (PMC) which is chaired with overseeing the National Performance Review implementation will be key to making this happen over time.

The tension between the old situation and (current) situation with a vision and mission will compel the organization to change.

Framework for Change

Organizational change includes an inspiring vision to create and communicate a picture for the organization that drives all actions. It includes both deeply felt values and a picture of the organization's strategic focus. A vision clearly identifies for all concerned--employees, customers, partners, stakeholders, and suppliers--exactly what the organization stands for and why they should support it. A vision both enhances an organization's strength, such as the President and Vice President's vision, "create a government that works

better and costs less," and provides deep personal identification with the organizations's work, such as Federal Express's "Truly Reliable Mail Service."

Vision directs attention to the critical factors that produce long-term success. The vision statement becomes a deep, abiding belief, a rallying point that touches the hearts and souls of everyone. People will go to extraordinary lengths for something they believe in and to which they commit. It's important that leaders' actions reflect the vision. People notice most what leaders **do**, not what they **say**, and follow most what leaders **do** and not what they **say** (refer to module 8 on "Leading and Managing the Organization"). Shared mission, values, and vision bring people together and provide the link between diverse people and activities. It's the first step in creating an atmosphere of common commitment that brings the hearts and minds of employees to join the purpose of the agency.

Some common barriers to visioning are:

- ! Fire-fighting work environment
- ! Lack of strategic planning
- ! Lack of purpose
- ! Lack of reflective business practices

Some enablers are:

- ! Strong sense of direction and purpose
- ! External and internal demands for change
- ! Strategic planning and management as the business norm
- ! Continual improvement as an organizational value

An important step in reaching an organization's vision is a thorough assessment of today's reality. The assessment should focus on all aspects of the organization's culture (people, behavior) and systems as they relate to customer needs. Assessment of the organization creates a picture of the current reality using a variety of sources of information including the Baldrige criteria (which is compatible with the National Performance Review recommendations), employee feedback, customer feedback, cultural assessments, and comparisons against the best practices and lessons learned in

other customer-driven organizations. Careful analysis of the data will identify the gaps and where action is needed to move toward the vision. The gap can attract a source of creative energy if clearly communicated and understood by all.

Building a shared vision is actually only one piece of a larger activity: developing the "governing ideas" for the organization, its purpose or mission, and core values. A vision not consistent with values that people live by, day by day, will not only fail to inspire genuine enthusiasm, it will often foster outright cynicism. These governing ideas answer three critical questions: "what?" "why?" and "how?"

- ! Vision is the "what?" - the picture of the future we seek to create
- ! Purpose (or mission) is the "why?", the organization's answer to the question, "Why do we exist?" Great organizations have a larger sense of purpose that transcends providing for the needs of employees. They seek to contribute to the world in some unique way, to add a distinctive source of value.
- ! Core values answer the question "How do we want to act, consistent with our mission, along the path toward achieving our vision?" A company's values might include integrity, openness, honesty, freedom, equal opportunity, leanness, merit, or loyalty. They describe how the company wants life to be on a day-to-day basis, while pursuing the vision. Core values are necessary to help people with day-to-day decision-making. Vision is long-term. People need "guiding stars" to navigate and make decisions day-to-day.

Objectives

This module is designed to help educate all federal employees on the importance of visioning and assessment in creating a customer-driven government--the President's mandate.

The objectives of this module are to:

- ! Understand the need for a shared vision in organizations
- ! Understand how clarity of vision, mission and values creates alignment

-
- ! Understand the importance of assessment and how to assess an agency against objective criteria
 - ! Understand how the gap between current reality and the vision impels change

Vision, Mission, and Values

Collectively, an organization's mission, vision, and values become the basis for its new identity--what its purpose is today and what it will become tomorrow. Conditions must be created to enable all managers and employees to internalize and apply the values so that they become governing organizational values. Only after management has initiated a dialogue on the meaning of the values throughout the organization; only after their own behavior affirms the values--only then will the vision and values become a "shared vision" and "shared values" (see Steve Covey, "Principle-Centered Leadership," *Journal for Quality and Participation*, July/August, 1992).

The President and Vice President have clearly communicated their overarching vision, "creating a government that works better and costs less." The National Performance Review recommendations reinforced by Executive Orders and Presidential Memoranda provide a blueprint for action. Every cabinet and agency head must align their own vision, core mission and values with the overarching vision and blueprint for change and be accountable to the President for implementation. The President and Vice President will oversee and nurture these changes via a variety of mechanisms. The President is negotiating performance agreements with Cabinet Heads that will facilitate commitment and progress. Additionally, the PMC, comprised primarily of Deputy Secretaries, was established to advise and assist the President and the Vice President in ensuring that the reforms adopted as a result of the National Performance Review are implemented throughout the Executive Branch. The Federal Quality Institute and the National Performance Review team will assist and provide support to the PMC and their organizations to facilitate progress.

Also, Reinvention Labs are being established by agencies to help cut through red tape and bureaucracy and to encourage innovations to make the government work better. There are many Reinvention Labs in various stages of progress. One outstanding example of improved customer service is the Veterans' Benefits Claims Regional Office, located in New York. Veterans could not find out what was happening to their claims, which had to cross as many as 23 desks for a decision. Now they are getting such fast service that

they do not need to ask. The same reengineering also ensures that answers come quickly--wait time is now three minutes for walk-in customers.

Partnerships and cooperation with unions and outside organizations are more than encouraged to help facilitate necessary changes to reach the overarching vision. The National Partnership Council (NPC) was created October 1, 1993 by Executive Order 12871, *Labor Management-Partnerships*. It was created to "establish a new form of labor-management relations throughout the Executive Branch to promote the principles and recommendations adopted as a result of the National Performance Review." The NPC is composed of representatives from the three largest unions representing federal employees, the Public Employee Department of the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO), and seven federal agencies, including the Federal Mediation and Conciliation Service and the Federal Labor Relations Authority. These are only some of the many mechanisms in place to assist with the transformation to make the government work better and cost less.

Characteristics of a Vision Statement

A vision must be clear, positive, forceful, simple, stretching, and inspiring. There are many samples of good short visions that have these characteristics. Two that many of us can recall instantly are:

"Ask not what your country can do for you - ask what you can do for your country," and

"We will put a man on the moon by the end of the decade and return him safely to earth," President John F. Kennedy.

- ! **Visioning is emotional** - It often unleashes conflicting forces--hope as well as fear and anxiety.
- ! **Visioning is an organizational change process** - Without shared vision, new ways of thinking or acting are inhibited by the pull of how things have been in the past.
- ! **Visioning requires involvement** - Participation by many in the process and dialogue with all is essential for buy-in and "shared" vision. Going through the process is as important as the outcome.

Visioning works best if you don't focus on specific things you do or want, but on developing the organization, the group or personal work that has more life, meaning and direction and nurtures creative potential. Focus on how people will interact or serve their customers in unique ways.

Shared Values

Values are a statement of the principles and philosophy that guide the organization. They are the deepest and most powerful motivators of personal action. It is important to create consensus about key values realizing that there will always be differences of emphasis. Values provide employees with guidelines for day-to-day decisions in dealing with their customers and each other. Values are the essence of the agency's philosophy for achieving success.

Typical core values are:

- ! We succeed through satisfied customers
- ! We value people
- ! We value open and honest communication
- ! We value a work environment free from fear
- ! We value the diversity among us
- ! We value participation and involvement of employees
- ! We behave ethically and with integrity

Some examples of organizations living their values are the following:

- ! The management team of British Airways, SAS, and Xerox (see Kotter and Heskett) communicated their newly developed vision and values with words spoken simply, directly, and often--and with deeds. They spent far more time than any of their predecessors in communicating the values to the employees, encouraging people to engage in a dialogue with them, and not allowing the communication to flow in one direction only. The values they wanted infused into their firms were usually on display in their daily behavior; in the questions they asked at meetings, in how they spent their time, in the decisions they made. The behavior made it clear to others that

their speeches were serious. Overall, these leaders succeeded in motivating enough other people to change their behaviors that new cultural norms began to form.

- ! Johnson & Johnson has had a written statement of its beliefs and values called "Our Credo" since the mid-1940s. Over the years, the company has used this credo to guide its business decisions. For example, when someone placed poison in several packages of one of the company's premier products, the company offered full rebates to customers and destroyed all of the product at a cost of \$250 million, consistent with its credo, which states that "our first responsibility is to the doctors, nurses and patients, to mothers and fathers and all others who use our products and services." The company took this step against the advice of every major advertising company and one of the country's most respected business schools, which believed that the company's product market share would never be regained. The company proved them wrong, however, because it did later regain its market share for the product.
- ! The Eastern Region of the Forest Service provides another example of an organization committed to cultural change through an emphasis on a strategic vision and cultural values. The whole Regional Office team described in detail the overall quality values they wanted for the future. These values and their vision has since provided a foundation for guiding the Region's transformation and a blueprint for organizational realignment as well.
- ! The Delta Consulting Group's study of 106 CEO's confirmed their major concern with organizational culture. 82% of the CEO's saw management behavior as important, including leadership around organizational and cultural change participation in quality improvement projects, and creation of an environment to encourage, support, and enable quality improvement. 94% of the CEO'S reported that the most significant part of their role was to articulate quality as a core corporate value.

Clarify Organizational Mandates and Mission

Organizational mandates refer to the legislation, which created the organization and established its mission, as well as subsequent legislation that added to the original mandate. Because of the accretion of legislation, an agency needs to revisit its mission and clarify its purpose from time to time. An agency needs a clear mission so that customers and employees understand why it exists and what business it's in. The mission becomes more inspiring

when the focus is on what the organization does for its customers. In the public sector, we cannot often change our mission as in the private sector (Federal Express went from package delivery business to transportation business), but the way we view our mission can make a big difference in our strategies.

An organizational mission statement must say what it does, for whom, and what is unique about it. Questions to ask are:

- ! What business are you in?
- ! Who are your customers?
- ! What added value do you bring?
- ! What contribution do you make?
- ! How are you distinctive and unique?

The organizational mission should be brief and should be able to evoke a personal response. Here's an example from Herman Miller: "To liberate the human spirit at Herman Miller so that we can furnish our customers with office environments in which they may realize their full potential."

The San Francisco Region of the Labor Department's Wage and Hour Division illustrates how the reexamination of an organization's basic mission can result in fundamental change in the way it carries out its activities on a day-to-day basis with profound impact on the quality of services to its customers.

The statutory responsibility of the Wage and Hour Division is to ensure compliance and to enforce provisions of federal minimum wage, child labor, and farm labor laws. Traditionally the Division has carried out its mandate primarily by investigating and prosecuting individual cases of non-compliance based on complaints from employees and others. When the San Francisco Region examined its mission during the planning process, it concluded that it could obtain widespread voluntary compliance with the labor standards laws rather than enforcing the law by investigating individual employers accused of legal infractions.

The clarification of the Region's mission had a profound impact on the focus, priority and nature of work performed. For example, the Region knew that minimum wage violations are widespread in the garment industry. The

primary violations are by "jobbers," small entrepreneurs who contract with the major clothing manufacturer. The principal problem is that the manufacturers, who are in a relatively strong bargaining position, are able to negotiate low rates of compensation with the jobbers who in turn operate "sweat shops" to keep their labor costs as low as possible. The Wage and Hour Division had little impact on this industry because of the large number of small employers and the reluctance of low-wage workers to register formal complaints against their employers.

The Region made a strategic decision to target the major clothing manufacturers in order to obtain more widespread compliance with the minimum wage laws. Employees met with several high-profile manufacturers whose jobbers were known to be in widespread violation of minimum wage laws. The Region threatened to go to the media (television, radio and newspapers) and make known publicly that the clothes being made by sub-standard wage earners were destined for the major manufacturer. The Region also told the manufacturers that they would refer the cases to the Justice Department for possible prosecution under the "Hot Goods" provision of the Interstate Commerce Act. The effect of this approach was to induce the manufacturers to help oversee the hiring and pay practices of their jobbers and to pay them sufficient compensation to enable them to pay standard wages.

This change in focus of the Region's work--from enforcing individual instances of non-compliance to seeking widespread compliance with the general laws--now pervades most areas of the Region's activities. For instance, the Region now works proactively with state and local governments to better coordinate their respective enforcement and compliance activities, and works with communities and trade associations to better explain the provisions of the labor standards laws and obtain voluntary compliance.

Deployment

Whatever form the vision, mission, and values take, they must be communicated throughout the organization. Participation creates alignment, which brings a sense of unity and cooperation. Communication is key throughout the entire process of developing vision, mission, and values--it clarifies, obtains buy-in and understanding which ensures success. Another way to make sure the vision is translated into real action is to add the values and key elements of the vision to the performance evaluation system.

Importance of Assessment

Assessment is key to determining how to proceed in transforming to an organization's vision of the future. Only through assessment can an organization identify the gap between the current condition and desired future state, and determine areas where change is needed. Assessments should be designed to help guide an organization to realize its vision and lead to systems thinking. It requires looking at the core mission and validating that mission with customers.

Assessment provides the basis for enabling the organization to survive and grow and for determining needed changes in specific areas. For instance, the Clinton Administration has established several priority areas for the Reinvention of Government effort. These include cutting back to basics, eliminating the obsolete and redundant, rightsizing, delayering, and re-engineering to provide customers the best service and value for their tax dollars. As organizations assess where they are in relation to their vision of the future, these overarching issues will, in most cases, surface naturally. In addition, many agencies will identify specific issues that are unique to their own circumstances. The assessments will surface these as well.

This module focuses on assessments that deal with the organization as a whole. Specifically, it deals with three types of assessments:

- ! Change readiness assessment, which is designed to assess whether the organization is ready to embark on a transformation effort; e.g., has the necessary top level commitment to begin and that resistance to change will not overwhelm the effort.
- ! Cultural/climate survey, which is a means of hearing and understanding what employees think on a variety of issues and provides their perceptions of the organization's culture.
- ! Formal organization assessment, which compares an organization to a standard (e.g., criteria of the President's Award for Quality or the Malcolm Baldrige National Award for Quality) in order to determine the strengths the organization can build on and the areas it needs to improve.

These three types of assessments can be viewed as in ascending order of comprehensiveness and sophistication. In some respects each builds upon the results of the previous one.

When an organization tries to make a dramatic change in its culture along the lines suggested in this seminar, it will want to consider a variety of other types of assessments to enable it to improve. Organizations should attempt to assess how they are doing in meeting customer expectations, as discussed in the module on "Focusing on Customers". Organizations should assess themselves against a variety of operating criteria such as the skill level of their workforce, the adequacy of their information systems, and the overall quality of the goods and services that they produce. These and other areas of assessment are important and are discussed in other modules of this seminar.

Change Readiness Assessment

Organizations conduct readiness assessments in order to determine the extent of receptivity to the change effort. This can help determine how fast to proceed, where to target initial interventions, and how much preparatory work is required for major change.

The result is a "prediction" of the likely success or failure of a formal change effort, and advice on how to proceed.

A change readiness assessment can be conducted either informally or through a formal survey.

An informal assessment is usually conducted by an outside consultant who is hired to assist the top leadership in planning the transformation effort. The consultant will talk informally with or interview the top executives in the organization and a cross-section of the organization (managers, supervisors, customers) to determine if it is ready for change. Some of the major danger signals the consultant might look for are:

- ! Lack of management commitment to long-range improvement
- ! Poor labor-management climate
- ! Few, if any, funds for training or willingness to free up people to support the effort
- ! Major reorganization underway or imminent
- ! Long-standing interpersonal conflicts at top levels of the organization that could impede cooperation

! Strong resistance to change by key leaders

Interpreting the results of the interviews where some of these characteristics are present requires experience and judgement since no one characteristic by itself will be fatal to the effort. What the presence of one or more of these danger signals does indicate is that the transformation effort may have to address these underlying issues before radical change in the organization is undertaken. Depending on results, the leadership may choose to deal with perceived barriers and issues before launching a comprehensive change effort, or target change to selected areas in the organization where receptivity is greatest.

Several private consulting companies have developed formal instruments to determine an agency's readiness to embark on a major change effort. The survey instrument poses a number of questions to be answered by a representative sample of the workforce designed to elicit insights along the lines of the issues summarized above. Such an assessment adds a certain objectivity to the findings, and provides a basis for comparing receptivity to other organizations which have attempted major change. Ultimately, however, the results will require seasoned judgement to determine how best to proceed.

Organizations that prefer to rely on the more objective and structured approach of formal assessment should investigate resources available in outside private consultants. Several companies on the Federal Supply Schedule (FSS) of quality management consultants provide such formal assessments. Usually they are made available as part of the organization's comprehensive quality management consultation, but not in all cases. See particularly the surveys available by Kaset.

Climate Surveys

A climate survey is conducted to measure employees' perceptions of the organization culture. It may be an interim step to a formal organization/culture assessment discussed later.

It is important to measure employees' and managers' perceptions; they may differ substantially.

Analyzing weaknesses and strengths helps identify approaches that are useful in initiating change. Issues likely to be covered in a climate survey include:

! Do employees feel that they are listened to and valued?

-
- ! Is the top leadership trusted to communicate the truth?
 - ! Do employees feel safe in raising issues?
 - ! Do employees feel they have the skills and training to do their jobs adequately?
 - ! Do employees understand the primary goals and objectives of the organization; do they agree with them?

A number of instruments are available in the public domain to assist federal agencies to conduct a climate assessment. The FQI frequently uses the *Quality and Productivity Self-Assessment Guide for Defense Organizations: Climate Guide*. This is the first part of DOD's larger organizational assessment.

The entire DOD package has been tested in many parts of DOD covering numerous functions that are similar to those in domestic agencies. It has also been used in many domestic agencies with excellent results. The instrument requires only a minimal number of changes (mostly office or division designations) to make it applicable to any agency. A reference guide accompanying the survey provides clear directions for scoring as well as actions that managers can take in areas where scores are low.

Two other instruments that are in the public domain are employee attitude surveys prepared by the Patent and Trademark Office (PTO) and the Federal Aviation Administration (FAA). These are excellent instruments for measuring employee perceptions of the organizational culture.

The Office of Personnel Management has developed an Organizational Assessment Survey (OAS) that can serve as a useful climate survey. The OAS provides a measure of an organization's practices, procedures, processes, policies, and climate. Many of its dimensions are consistent with NPR actions such as E.O. 12862 on customer service standards, E.O. 12871 on labor-management partnerships, and the criteria of the Presidential Award for Quality.

A number of other agencies and private companies have also developed climate surveys. Agencies might want to scan each available instrument before deciding on one. Alternatively, organizations might consider adopting a climate survey in context of beginning to develop a comprehensive transformation effort. Many organizations engage an outside consultant, such as one of the private sector consultants on the FSS contract. Many of these

have developed and use climate surveys as part of their overall change consultation.

Formal Organization Assessment

Unlike a climate survey, an organization assessment compares an agency's systems, processes, culture, workforce, and performance results to an objective standard. This should help determine where the organization now stands in relation to its vision, and how it compares to high-performing organizations. Results of organization assessments serve as a baseline against which to assess future progress.

An appropriate standard for an organizational assessment is the criteria for the MBNQA or the Presidential Award for Quality. These identify key variables that must be impacted to achieve a transformation to a customer-driven organization, such as leadership, customer focus, strategic planning, information and analysis, workforce excellence, and managing processes and systems.

Frequently the major benefit derived from an assessment is the learning that derives from the assessment process. When the leaders of an organization are involved in a systematic and rigorous process to assess how their organization performs against objective criteria such as the MBNQA, they frequently appreciate much better the areas of improvement that they can pursue.

For instance, the National Security Agency had been pursuing a quality management effort for several years before it began to systematically assess itself against the MBNQA. It initiated an organization assessment by having each manager assess his or her own organization against the Baldrige scoring guidelines. The leadership at NSA report that, for the first time, many managers have begun to appreciate in concrete terms how the principles of quality management would apply in their organization and how their operations might thereby be improved substantially. The process of conducting the assessment has had the effect of overcoming much of the resistance to change that had been present before and generating enthusiastic support where it did not exist previously.

A number of organization assessments are now available in the public domain. As with climate surveys, many private consultants have organization assessments which they use as part of their quality management consultation. Others are available as free standing instruments. Virtually all organization

assessments contain a climate survey element but they also include other organizational performance criteria.

The FQI has developed the *Self-Assessment Guide for Organizational Performance and Customer Satisfaction*. The Guide is intended for Federal organizations, can be used with little or no outside assistance, and is tied to the criteria of the Presidential Award for Quality. The DOD survey discussed previously under climate surveys, is also available to Federal agencies.

General Considerations for Assessments

The following are general considerations to help guide the use of assessments.

Selecting an Approach

Objectivity is essential for any assessment. Most organizations use an outside expert to lead the process. Options include using an outside consultant, one component of the organization assessing another, or a combination of outsider and insiders to provide balance between objectivity and knowledge of organization.

An informal assessment usually is conducted by an external consultant who interviews selected employees. Such assessment is not an attempt to gain a statistically valid measure of the organization, but rather to identify major issues that stand out through objective observation. This approach is most likely to be appropriate for a readiness assessment, as discussed above.

A formal survey provides a statistically valid basis for assessing the organization. Typically, a formal instrument contains standardized questions designed to determine the presence or absence of certain characteristics. Formal surveys are available for each of the types of assessments discussed.

In general, there is no substitute for a formal assessment when conducting an organization assessment. However, the approach taken can vary considerably. Some organizations rely primarily on an independent, objective survey by an outside party. Managers and employees respond to a survey questionnaire with little interaction between the survey team and the respondents. The results provide an objective measure against which to measure future progress.

Other organizations take a more interactive approach, involving all levels of managers and employees in the process of doing the assessment. The

assessment itself is similar to the process of applying for the award upon which the assessment is based. The NSA approach, discussed above, illustrates this approach. The Air Force Materiel Command has also undergone an extensive Baldrige Award self assessment. Such an approach can be very time consuming on the part of managers. However, it can have the effect of assisting all levels of management to see the significance of the transformation process and how it can improve their own operations in very concrete, operational terms.

Timing

Timing for various types of assessments depends largely on the organization's degree of readiness for transformation. The following are considerations for each type.

Organizations should almost always begin with a readiness assessment, even if very informal. The top leaders may think that they know what the general state of receptivity to change is in the organization. However, if they have not made an effort to obtain an objective, outside perspective on this issue recently, they may well be surprised by what they find. If nothing else, a readiness assessment can help the organization determine what kind of in-depth assessment would be appropriate. It also should help identify some of the early interventions that the change effort should include in the initial months.

A climate assessment can be administered at any time during the early stages of a transformation effort. Some organizations have already conducted climate surveys as part of their ongoing management improvement processes. In such cases, a new one need not be used unless it is tied to a formal organization assessment. One should be administered at least within the first year of a formal change effort, and should be repeated periodically--preferably every year--in order that the organization can gain an appreciation for progress in dealing with the issues that surface.

A formal organization assessment may be done early or after a year or so, depending on several factors. The advantages of doing an organization assessment early are:

- ! It establishes a baseline for assessing progress in making organization change.
- ! It forms a basis for action on the precise organization dimensions on which the change effort should focus. For instance, it should provide

insights into the extent of customer focus, employee involvement, and strategic planning that are the focus of the change effort, and areas most in need of improvement.

Disadvantages of doing an organization assessment early are:

- ! It may overwhelm management in face of everything else that has to be done. Organization assessments can be time consuming to everyone and management may have its hands full with other change efforts in the first year or so.
- ! Scores may be misleading because respondents don't fully appreciate the questions and/or the organization may not be ready to deal with the hard truth.

If the organization is presently an inward-looking, non-customer-driven entity with little employee involvement, the scores would probably be very low and could discourage the management team. Also, people in organizations that have not previously been introduced to fundamentals of quality or transformation may not even understand basic issues such as customers, or appreciate the extent to which employee involvement is an appropriate or feasible alternative to traditional command-and-control management.

Ultimately, the choice of timing of an organization assessment is a judgment call. The more familiar managers and employees are with the principles of transformation the more appropriate and desirable it is to conduct a full organization assessment early in the process. This is an issue that an experienced outside consultant can help to determine. One basis for making a determination might be the results of a general readiness assessment. If, based on the results, the leadership concludes that the organization should postpone conducting a full organization assessment, it should plan to administer a formal climate assessment early in the first year of transformation.

Who Does the Assessment?

In all assessments, objectivity is essential whether formal or informal. Most organizations arrange for someone outside the organization to conduct the assessment. In some cases, a central change team can perform this function. Many organizations use an outside consultant such as those on the FSS managed by the FQI.

Communication Strategy

In order to assure cooperation and avoid suspicion about the motivation of the assessment, it is essential to let everyone know about the assessment, why it is being conducted, what is being measured, and what their role will be.

A communication plan should be created at the very beginning of the transformation effort, and the organization assessment should be part of that plan. People throughout the organization should be told that the assessment is going to occur, what the elements will be, what their role will be, and when the results will be available. A good communication plan is an excellent way to manage people's expectations by giving them a realistic preview of the scope and timetable of assessment.

Information about the assessment, whatever type is chosen, can be conveyed in several media: part of an overall basic education strategy, newsletters, a special video (especially if field offices are involved), meetings with employees, or memos. Emphasis should be placed on the major message to be conveyed--why the agency is undertaking the assessment, its importance to the agency, the strategy to be employed, the employees' role, how it relates to the overall change strategy if already developed, and how management will follow-up. The message needs to reach all levels in the organization and sufficient attention should be paid to how it will be deployed throughout the agency. Above all, the communication plan has to assure people that the assessment will lead to change, that it won't be an empty exercise.

Feedback and Action

For all assessments in which employees are involved, feedback to the entire staff is essential. Usually the top management team receives feedback first, giving top management an opportunity to gain perspective on the situation and formulate a general strategy for addressing issues that surface.

How feedback is given to the entire staff should be determined by the overall communication strategy. In a small agency, an all-hands meeting may be the best way to communicate the results. Large and far-flung agencies will have to rely on indirect means such as videos, newsletters, briefings by mid-level managers, etc. Relying solely on written media for the feedback message should be avoided since personal communication about something as significant as an assessment is more effective in demonstrating the leadership's commitment to improvement.

Results

A crucial consideration when it comes to feedback: there is no such thing as bad news. What is being delivered is simply the facts about the agency. The findings should not be reported as a series of mistakes uncovered; rather they represent the basis for developing a blueprint for change. Even if the scores are relatively low or suggest problems, the fact that the organization is examining the situation is itself good news.

It follows that whatever the results, the organization should take action to improve. In fact, the leaders of the organization should determine in advance their clear resolve to take action on the results of the assessment. The actions should be reflected in the organization's strategic planning process. If employees who participate in or are aware of the assessment see no visible results in terms of management action, the credibility of the entire transformation can be irreparably damaged.

Beginning the Transformation

Once an organization has established a vision for where it wants to be in the future and assessed its current state, it must charter a path to get where it wants to be. The module on "Planning Strategically and Measuring Performance" discusses approaches that organizations take to transform the entire organization. However, early in the transformation process most organizations find it helpful to take specific actions and establish formal structures that serve as a foundation for the overall change effort.

To guide the initial change effort most organizations find it helpful to outline specific steps and a timetable, a road map for change. The road map is used primarily to help structure and guide the initial transformation efforts of the organization. The objective should be ultimately to integrate the key actions into the overall strategic plan (discussed in the module on "Planning Strategically and Measuring Performance").

This part of the module should be viewed as a transformation from the formal visioning and assessment process to the adoption of specific interventions discussed in the remainder of the seminar. Initial change actions can be seen as interim and procedural steps to achieving the overall transformation dealt with by the overall strategic plan.

Key Transition Actions

The following are actions and interventions that many organizations take early in their transformation effort.

- ! The initial actions incorporate and are guided by the findings of the visioning and assessment discussed previously.
- ! Many organizations establish a leadership team to oversee and direct the deployment of customer-driven actions in the organization. This team, represented by the key leaders of the organization, oversees the initial articulation of the organization's vision and assessment, and deployment of specific actions (see module on "Leading and Managing the Organization").
- ! The road map:
 - identifies resources (funding and staff) to support the transformation effort
 - establishes a timetable and schedule for reinvention interventions in various components of the organization
 - outlines a schedule and procedures for establishing formal teams to address specific process issues as discussed in the module on "Empowering the Workforce"
 - outlines a strategy, schedule, and resources for deploying customer-driven training

A number of books have been written on steps and procedures to begin the transformation to a quality organization. Two sources are particularly useful for this section. The FQI Handbook *Lessons Learned from High-Performing Organizations in the Federal Government* discusses typical interventions that eight high-performing organizations used in their quality efforts. Although the organizations exhibited considerable variation in the actions they took to integrate quality into the fabric of the organization, the initial formal structures were remarkably similar. The FQI Handbook *How to Get Started Implementing Total Quality Management* identifies specific strategies and actions leaders should consider in their early transformation effort.

Summary--Vision and Assessment

In addition to the points made in the key teaching points:

- ! A vision of the future desired state is essential to energize the organization to change.
- ! Assessment of where the organization is in relation to its vision is essential to map a course for change.
- ! Begin with a readiness assessment. Timing of doing a climate and formal organizational assessment will depend on the organization's readiness.
- ! Eventually every organization should undertake a full organization assessment against an objective standard in order to provide a basis for assessing progress.

References

Assessing Your Organization: Do's, Don'ts, and Maybe's, American and Productivity and Quality Center, Houston, 1990.

Belasco, James A., *Teaching the Elephant to Dance*, Plume, NY, 1991.

Belasco, James A. & Stayer, Ralph C., *Flight of the Buffalo*, Warner Books, New York, 1993.

Berry, Thomas H., *Managing the Total Quality Transformation*, McGraw Hill, Inc., 1991.

Covey, Stephen, *Principle-Centered Leadership*, Fireside, NY, 1990.

Drucker, Peter F., *The Five Most Important Questions*, Jossey-Bass, San Francisco, 1993.

Gore, Al, "Creating a Government that Works Better and Costs Less" *The Report of the National Performance Review*, U.S. Government Printing Office, Washington, DC, 1993.

Hunt, V. Daniel, *Quality in America*, Chapter 6, "Quality First Self-Assessment," Business One, Irwin, CA, 1992.

Hunt, V. Daniel, *Quality Management for Government - A Guide to Federal, State and Local Implementation*, ASQC Quality Press, Milwaukee, WI, 1993.

Jablonski, Joseph R., *Implementing TQM*, Technical Management Consortium, Inc., 1992.

Kotter, John P., and Heskett, James L., *Corporate Culture and Performance*, The Free Press, New York, 1992.

Lipnack, Jessica and Stamps, Jeffrey, *The Teamnet Factor*, Oliver Wight Publications, Essex Junction, VT, 1993.

Malcolm Baldrige National Quality Award - 1994 Award Criteria, U.S. Department of Commerce, National Institute of Standards and Technology, Washington, DC, 1994.

Presidential Award for Quality - 1994 Criteria, Federal Quality Institute, Washington, DC, June, 1993.

Quality and Productivity Self-Assessment Guide for Defense Organizations, Department of Defense, Washington, DC, 1991.

Rollefson, Martha M., "The Total Quality Appraisal Survey: Where Do You Stand?," *Quality Progress*, November 1992.

Schmidt, Warren H. and Jerome P. Finnigan, *The Race Without a Finish Line - America's Quest for Total Quality*, Jossey-Bass Publishers, 1992.

Self-Assessment Guide for Organizational Performance and Customer Satisfaction, Federal Quality Institute, Washington, DC, December, 1993.

Senge, Peter M., *The Fifth Discipline*, Doubleday Currency, New York, 1990.

Yearout, Stephen L., and Lucy N. Lytle, *Total Quality - An Executive's Guide for the 1990s*, "Assessing Quality," Ernst & Young Quality Improvement Consulting Group, Dow Jones-Irwin, 1990.

Videos

Discovering the Future: The Business of Paradigms, Joel Barker, available from Charthouse, 221 River Ridge Circle, Burnsville, MN 55337.

The Power of Vision, Joel Barker, available from Charthouse, 221 River Ridge Circle, Burnsville, MN 55337.